

# Chesterfield

A MONTHLY UPDATE ON LOCAL  
ECONOMIC CONDITIONS



*snapshot*

OCTOBER 2009

OFFICE OF BUDGET & MANAGEMENT

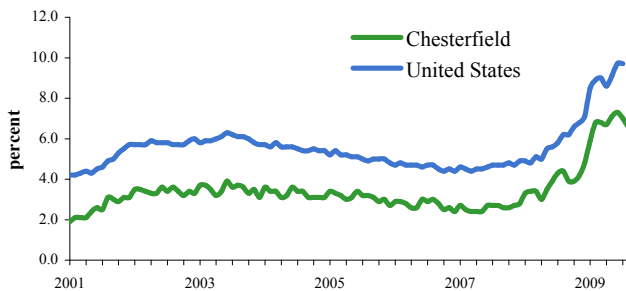
## Monthly Summary

Chesterfield's economy posted some encouraging readings for the second straight month, though the local economy remains on generally uncertain footing. On the employment front, the steady run-up in the County's jobless rate leveled off in August, finishing the month down 0.4 of a percent at 6.6 percent. Similarly, the fall off in local consumer spending moderated somewhat. Sales tax receipts saw their smallest decline (-4.6 percent) in eight months and car registrations -- boosted by Federal incentives -- were only 6.2 percent below their year-ago level, compared with a -14.1 percent drop in July. Additionally, the housing market showed some signs of life as single-family permits climbed 18.5 percent, marking the first consecutive increase since early 2006.

## Spotlight on... *state revenues*

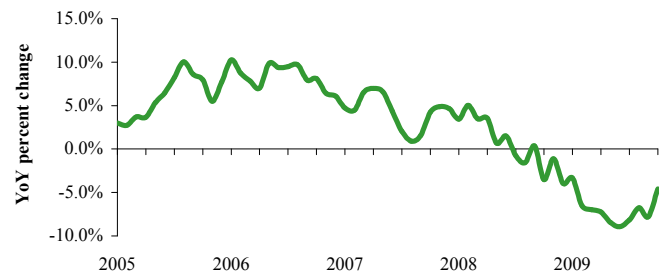
State funds, which account for approximately 17 percent of the County's general fund, are a major component of Chesterfield's revenue portfolio. However, the state's coffers have been impacted significantly during the current recession which has translated into dramatically less funding for localities. In September, the state issued their updated revenue outlook for the current fiscal year, resulting in an estimated \$4 million reduction for Chesterfield. But, according to recent revenue updates, the state is already well-below their revised forecast. For example, corporate income tax receipts are down 7.9 percent year-to-date, while the state's revised projection was expecting growth of just over 2 percent. If these trends continue they could translate into further funding reductions for localities.

### Unemployment Rate (%)



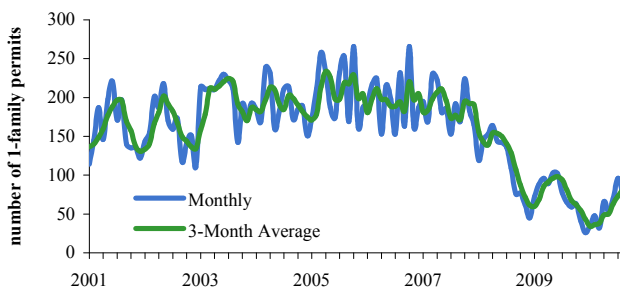
Area	August 2009	August 2008	YoY Chg
Chesterfield County	6.6	4.4	2.2
Richmond MSA	7.7	5.0	2.7
Virginia	6.5	4.1	2.4
United States	9.6	6.2	3.4

### Sales Tax Receipts (3-month moving average)



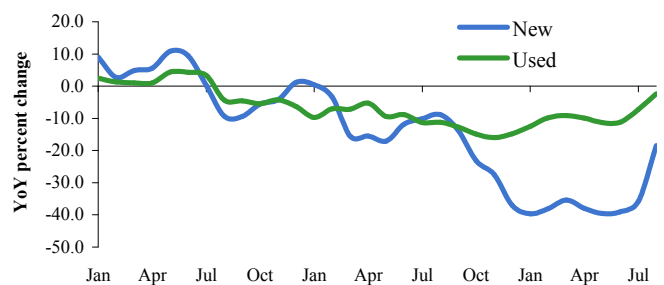
Area	August 2009	August 2008	YoY Chg
Chesterfield County	\$3,134,672	\$3,284,857	-4.6%
Hanover County	\$1,333,424	\$1,521,856	-12.4%
Henrico County	\$4,396,236	\$4,759,131	-7.6%
Richmond City	\$2,770,938	\$2,781,477	-0.4%

### Single-Family Permits



Area	August 2009	August 2008	YoY Chg
Chesterfield County	77	65	18.5%
Richmond MSA	234	340	-31.2%
Virginia	1,453	1,635	-11.1%
United States	42,200	47,409	-11.0%

### Car Registrations (Total; 3-month moving average)



Area	August 2009	August 2008	YoY Chg
Chesterfield County	5,098	5,433	-6.2%
Henrico County	4,832	5,206	-7.2%
Richmond City	3,866	5,375	-28.1%
Virginia	138,766	146,616	-5.4%